



Testimony to the Appropriations Committee
Health Subcommittee
Department of Developmental Services - February 24, 2022

I am writing to comment on House Bill 5037 AAC the State Budget for the Biennium Ending June 30th, 2023.

From: Stephanie Cona
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To: Senator Osten, Representative Walker, Senator Miner, Representative France and members of the Appropriations Committee:

My name is Stephanie Cona, and I am the Marketing and Communications Manager at SARAH Inc. We are a non-profit organization providing services to more than 1400 children and adults with differing abilities across 5 counties, in 50 towns, in Connecticut. My role at SARAH Inc. is to oversee the marketing and development needs of our agency and to help spread the message of the services which we provide to families in the state.

First, I want to thank you for the 4% Cost of Living Adjustment (COLA) for community nonprofits that you fought to include in last year's budget. However, while the increase in this year's budget is appreciated, it has quickly been absorbed by rising costs. Over the last year, inflation rose by almost 6%, surpassing the 4% COLA in the current year's budget.

This funding is needed now more than ever. Without it, we risk destabilizing our state's community service delivery system which has been upended by the pressures of COVID-19 and an exponential increase in the need for service in our communities.

In my role at SARAH Inc. I have witnessed the employees having to adapt to the immediate needs of those we serve during a pandemic. They had to fluidly switch to virtual services, adapt to transition back to in-person supports, and trying to navigate in this new normal while providing these essential supports.

In addition to those rising costs, we're facing unprecedented challenges recruiting and retaining staff. Across the state non-profits employ more than 115,000 people, but recently The Alliance found that 18%, nearly 1 in 5, nonprofit jobs are now vacant. The employee shortage is one of the leading causes to longer wait lists to get into programs and a decrease in quality of services. How can SARAH Inc., other non-profits, and Connecticut expect to fully support thousands of

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individuals with intellectual/developmental disabilities or delays without the funding needed to back these essential supports?

Moreover, non-profit providers funded by the Department of Developmental Services are grateful for the efforts of the Appropriations Committee and Governor Lamont to address wage and funding issues specific to services for the Intellectual/Developmental Disabilities population. Last year's Group Home Settlement provided significant funding to increase the minimum wage for direct support staff in DDS agencies.

However, the group home settlement also created significant challenges:

- First, the terms of the settlement provided wage increases of as much as 11.6% for entry level staff, which next year will increase to 14.5%. But the agreement only provides a 3% increase to everyone else. Staff who before July were making only slightly above the new minimum, often people who had years or decades of experience or managing other staff, found themselves suddenly paid almost the same as a new hire.
- Second, the funding dedicated a pool of dollars to enhance employee benefits, but to date none of that funding has been disbursed to providers. We understand it to total less than half what providers have told DDS they would need.

This is causing significant wage compression issues within organizations. Each of our employees provides an essential service to our agency and to those we support. They deserve to be compensated fairly for the work they are doing before, during, and after the pandemic.

During this legislative session we ask that you please help SARA Inc. and every other essential non-profits by:

- **Ensuring adequate funding for non-profits.** Last year the legislature voted to increase funding for nonprofits by 4%, which was a big step in making up for the chronic underfunding of non-profits. But since then, inflation has been 6%. Please adequately fund non-profits so that there isn't a continued funding deficit and to ensure services will be provided to the most vulnerable residents.
- **Addressing the increasing wage compression issues.** While it is appreciated that minimum wage is being fairly increased for new hires, there are now experienced employees who have been at non-profits for years who are receiving almost the same pay rate due to only an annual 3% salary increase.

We respectfully ask that you remember SARA Inc. and other agencies like ours during the upcoming legislative session. We are providing essential services without adequate rates to sustainably continue to fund our services.

Thank you,
Stephanie Cona

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